

Washington, DC -- Rep. Peter Welch today voted in support of H.R. 976, a tax relief bill that includes \$1.3 billion in tax cuts for small businesses.

Welch was an original co-sponsor of the bill.

The bill expands tax provisions to help small businesses invest in new equipment and promotes hiring of disadvantaged workers.

"This fiscally responsible tax relief for our small businesses will help expand our economy and create new jobs. This bill will help some of Vermont's most important small businesses, such as our Mom and Pop stores that are part of the bedrock of our communities," said Welch.

- H.R. 976 helps small businesses invest in new equipment and more easily afford capital expenses. It extends small business expensing (Section 179) for one year - increasing both the amount small businesses can deduct from their taxes (from \$112,000 to \$125,000) and the number of small businesses that can take these deductions (by increasing the income limits for businesses taking the deduction from \$450,000 to \$500,000).

- It extends the Work Opportunity Tax Credit (WOTC) - which provides incentives to employers to hire individuals from targeted groups that frequently experience barriers to work - for one year and expands it to cover disabled veterans.

- It enhances the current tip credit for small businesses - by maintaining the current tip credit that small businesses take for the Social Security taxes that they pay on their employees' tips, instead of allowing it to drop with the increase in the minimum wage.

- It simplifies tax filing requirements for businesses owned jointly by husbands and wives, and ensure that small businesses are fully able to claim the WOTC and tip credit against AMT liability.